

AGENDA ITEM TBC

SUBJECT:	DRAFT STATEMENT OF ACCOUNTS 2024/25 – CHARITABLE TRUST FUNDS
MEETING:	Governance and Audit Committee
DATE:	11th September 2025
DIVISIONS/WARD AFFECTED:	All

1. PURPOSE:

- 1.1 This report has been prepared to provide Governance and Audit Committee Members with an opportunity to review and provide comments on the:
- Draft 2024/25 Welsh Church Fund Accounts (**Appendix 1**)
 - Draft 2024/25 Monmouthshire Farm School Endowment Trust Fund Accounts (**Appendix 2**)
 - Draft 2024/25 Llanelly Hill Social Welfare Centre Accounts (**Appendix 3**)

2. RECOMMENDATIONS:

- 2.1 That the Governance & Audit Committee review the 2024/25 draft Statement of Accounts for the above bodies and provide comments or proposed amendments which will be considered alongside the external audit process and prior to the final publication.

3. KEY ISSUES

- 3.1 The Authority acts as lead or investment trustee for a number of charitable trust funds.
- 3.2 The accounts for these funds have to be prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on the 16th of July 2014 and the Charities Act 2011, alongside the UK Generally Accepted Practice as it applies from the 1st of January 2015.

4. Welsh Church Act Fund

Background

- 4.1 Monmouthshire County Council acts as lead trustee for the Welsh Church Act Fund, a charitable trust covering the Council administrative areas of Blaenau Gwent, Caerphilly, Monmouthshire, Torfaen, and the City of Newport.
- 4.2 The primary object of the trust is to assist public groups and individuals for educational, social, recreational, and other charitable benefit purposes. Grants are available from the fund for capital or revenue purposes. Capital grants may be awarded to assist organisations in the furnishing and

upkeep of buildings. Revenue grants are designed to further the aims of societies and to assist individuals in their various pursuits.

- 4.3 An annual budget for grant payments is agreed by full Council in March preceding the financial year and is split between the five administrative bodies on a population basis. Each trustee approves grant applications and pay monies in line with their own financial regulations.
- 4.4 The overall grant allocation from the fund in each financial year is considered in line with the long-term financial viability of the trust and to maintain the ability to generate funds in future years for distribution by maintaining sufficient capital assets.
- 4.5 In line with the requirements of lead trustee, Monmouthshire County Council is responsible for preparing the draft accounts as presented in **Appendix 1** and these will be subject to external audit by Audit Wales, and subsequently a final version will be considered for approval by this committee at its meeting in January 2026. Following final approval, the accounts will be lodged with the Charities Commission by the end of January 2026.

Activity in year

- 4.6 The fund has increased in value by £487 during the year (£16,603 gain in 2023/24). This small increase is primarily due to investment income returns offset by the value of grants paid out by the fund.
- 4.7 Income during the year principally comprised of investment income of £219,160 which is broadly consistent with the returns of £226,373 generated in 2023/24.
- 4.8 Resources expended during the year amounted to £208,826 (£293,488 in 2023/24) and principally comprised grant distribution payments of £191,153 (£267,391 in 2023/24). This decrease was due to Caerphilly Borough Council and Newport City Council having spent in 2023/24, grant balances that had been brought forward from previous financial years.
- 4.9 Net losses on the capital value of investments held amounted to £10,107 (£83,718 net gain in 2023/24). This follows some uncertainty in the financial markets over the period combined with some investment fund managers exiting the charity sector.
- 4.10 The Trustee's policy is to maintain the level of investments at a level that provides sufficient annual income to fund the Charity's charitable expenditure. The level of funds held at 31st March 2025 is £5,218,381 (£5,217,894 in 2023/24).

5. Monmouthshire Farm School Endowment Trust Fund

Background

- 5.1 Monmouthshire County Council acts as Trust administrator and Investment custodian for the Monmouthshire Farm School Endowment Trust Fund.
- 5.2 The primary object of this charitable trust is to make awards to students in need of assistance to attend Usk Agricultural College (Coleg Gwent), or at the discretion of the governing body, any other college, institution, or university to pursue courses of study in agricultural subjects.
- 5.3 The draft accounts presented will be subject to independent examination by Audit Wales and will subsequently be considered by the trustees prior to lodging with the Charities Commission by the end of January 2026.

Activity in year

The Fund has increased in value by £24,331 (£11,339 increase in 2023/24) over the financial year

due to interest on investments (£33,796) exceeding resources expended to administer the fund £10,017, together with the small unrealised gain on market investments of £552.

- 5.4 Income consisted of interest on investments and cash held of £33,284 (£29,876 in 2023/24), and £512 (£465 in 2023/24) in respect of the annual payment from the Roger Edwards Educational Trust.
- 5.5 Expenditure of £10,017 (£9,007 in 2023/24) primarily comprised of grants payable of £7,474 (£5,178 in 2023/24) in line with the Charity's objects. An unrealised investment gain of £552 (£9,995 loss in 2023/24) was made in relation to investments held.
- 5.6 The current strategy is to ensure that there are sufficient funds to meet the needs of beneficiaries. The income generation from investments forms the main basis of the following year's grant allocations to ensure continuity and non-degradation of the fund's capital assets and to perpetuate the Charity as a going concern.

6. Llanelly Hill Social Welfare Centre

Background

- 6.1 The Llanelly Hill Social Welfare centre is a registered charitable trust owned and run by a board of trustees and supported by Monmouthshire County Council.
- 6.2 Due to the comparatively small size of the trust and the values involved, the statement of accounts does not require a formal audit or inspection process and will subsequently be lodged with the Charities Commission.

Activity in year

- 6.3 The trust has generated income of £33,309 during the year (£6,394 in 2023/24) primarily from income generating activities at the centre. This included grant funding received during 2024/25 of £23,214 from the National Lottery community fund which has allowed for the appointment of an additional project manager to support activities at a cost £13,923 for the year.
- 6.4 The income generated has covered the management and maintenance costs incurred during the year of £25,268, resulting in an overall operational gain on the fund of £8,041.

7. REASONS

- 7.1 To consider the accounts as presented enabling the external audit and independent inspection process to be undertaken and reported in due course.

8. RESOURCE IMPLICATIONS

- 8.1 As outlined in the respective accounts to be found in the Appendices.

9. CONSULTEES

Deputy Chief Executive (Section 151 Officer)

10. BACKGROUND PAPERS

Appendix 1 - Draft 2023/24 Welsh Church Fund Accounts

Appendix 2 - Draft 2024/25 Monmouthshire Farm School Endowment Trust Fund Accounts

Appendix 3 - Draft 2024/25 Llanelly Hill Social Welfare Centre Accounts

11. AUTHORS:

Jonathan S. Davies
Head of Finance (Deputy Section 151 Officer)

12. CONTACT DETAILS

Email: jonathandavies2@monmouthshire.gov.uk
Tel: (01633) 644114